

106TH CONGRESS
1ST SESSION

H. R. 1152

To amend the Foreign Assistance Act of 1961 to target assistance to support the economic and political independence of the countries of the South Caucasus and Central Asia.

IN THE HOUSE OF REPRESENTATIVES

MARCH 17, 1999

Mr. BEREUTER (for himself, Mr. LANTOS, Mr. BERMAN, and Mr. PITTS) introduced the following bill; which was referred to the Committee on International Relations

A BILL

To amend the Foreign Assistance Act of 1961 to target assistance to support the economic and political independence of the countries of the South Caucasus and Central Asia.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Silk Road Strategy
5 Act of 1999”.

6 **SEC. 2. FINDINGS.**

7 Congress makes the following findings:

1 (1) The ancient Silk Road, once the economic
2 lifeline of Central Asia and the South Caucasus, tra-
3 versed much of the territory now within the coun-
4 tries of Armenia, Azerbaijan, Georgia, Kazakstan,
5 Kyrgyzstan, Tajikistan, Turkmenistan, and
6 Uzbekistan.

7 (2) Economic interdependence spurred mutual
8 cooperation among the peoples along the Silk Road
9 and restoration of the historic relationships and eco-
10 nomic ties between those peoples is an important ele-
11 ment of ensuring their sovereignty as well as the
12 success of democratic and market reforms.

13 (3) The development of strong political, eco-
14 nomic, and security ties among countries of the
15 South Caucasus and Central Asia and the West will
16 foster stability in this region, which is vulnerable to
17 political and economic pressures from the south,
18 north, and east.

19 (4) The development of open market economies
20 and open democratic systems in the countries of the
21 South Caucasus and Central Asia will provide posi-
22 tive incentives for international private investment,
23 increased trade, and other forms of commercial
24 interactions with the rest of the world.

1 (5) Many of the countries of the South
2 Caucasus have secular Muslim governments that are
3 seeking closer alliance with the United States and
4 that have active and cordial diplomatic relations with
5 Israel.

6 (6) The region of the South Caucasus and Cen-
7 tral Asia could produce oil and gas in sufficient
8 quantities to reduce the dependence of the United
9 States on energy from the volatile Persian Gulf re-
10 gion.

11 (7) United States foreign policy and inter-
12 national assistance should be narrowly targeted to
13 support the economic and political independence as
14 well as democracy building, free market policies,
15 human rights, and regional economic integration of
16 the countries of the South Caucasus and Central
17 Asia.

18 **SEC. 3. POLICY OF THE UNITED STATES.**

19 It shall be the policy of the United States in the coun-
20 tries of the South Caucasus and Central Asia—

21 (1) to promote and strengthen independence,
22 sovereignty, democratic government, and respect for
23 human rights;

24 (2) to promote tolerance, pluralism, and under-
25 standing and counter racism and anti-Semitism;

1 (3) to assist actively in the resolution of re-
2 gional conflicts and to facilitate the removal of im-
3 pediments to cross-border commerce;

4 (4) to promote friendly relations and economic
5 cooperation;

6 (5) to help promote market-oriented principles
7 and practices;

8 (6) to assist in the development of the infra-
9 structure necessary for communications, transpor-
10 tation, education, health, and energy and trade on
11 an East-West axis in order to build strong inter-
12 national relations and commerce between those
13 countries and the stable, democratic, and market-
14 oriented countries of the Euro-Atlantic Community;
15 and

16 (7) to support United States business interests
17 and investments in the region.

18 **SEC. 4. UNITED STATES EFFORTS TO RESOLVE CONFLICTS**
19 **IN THE SOUTH CAUCASUS AND CENTRAL**
20 **ASIA.**

21 It is the sense of Congress that the President should
22 use all diplomatic means practicable, including the engage-
23 ment of senior United States Government officials, to
24 press for an equitable, fair, and permanent resolution to
25 the conflicts in the South Caucasus and Central Asia.

1 **SEC. 5. AMENDMENT OF THE FOREIGN ASSISTANCE ACT OF**
2 **1961.**

3 Part I of the Foreign Assistance Act of 1961 (22
4 U.S.C. 2151 et seq.) is amended by adding at the end
5 the following new chapter:

6 **“CHAPTER 12—SUPPORT FOR THE ECO-**
7 **NOMIC AND POLITICAL INDEPEND-**
8 **ENCE OF THE COUNTRIES OF THE**
9 **SOUTH CAUCASUS AND CENTRAL ASIA**

10 **“SEC. 499. UNITED STATES ASSISTANCE TO PROMOTE REC-**
11 **ONCILIATION AND RECOVERY FROM RE-**
12 **GIONAL CONFLICTS.**

13 “(a) PURPOSE OF ASSISTANCE.—The purposes of as-
14 sistance under this section include—

15 “(1) the creation of the basis for reconciliation
16 between belligerents in the countries of the South
17 Caucasus and Central Asia;

18 “(2) the promotion of economic development in
19 areas of the countries of the South Caucasus and
20 Central Asia impacted by civil conflict and war; and

21 “(3) the encouragement of broad regional co-
22 operation among countries of the South Caucasus
23 and Central Asia that have been destabilized by in-
24 ternal conflicts.

25 “(b) AUTHORIZATION FOR ASSISTANCE.—

1 “(1) IN GENERAL.—To carry out the purposes
2 of subsection (a), the President is authorized to pro-
3 vide humanitarian assistance and economic recon-
4 struction assistance for the countries of the South
5 Caucasus and Central Asia to support the activities
6 described in subsection (c).

7 “(2) DEFINITION OF HUMANITARIAN ASSIST-
8 ANCE.—In this subsection, the term ‘humanitarian
9 assistance’ means assistance to meet humanitarian
10 needs, including needs for food, medicine, medical
11 supplies and equipment, education, and clothing.

12 “(c) ACTIVITIES SUPPORTED.—Activities that may
13 be supported by assistance under subsection (b) include—

14 “(1) providing for the humanitarian needs of
15 victims of the conflicts;

16 “(2) facilitating the return of refugees and in-
17 ternally displaced persons to their homes; and

18 “(3) assisting in the reconstruction of residen-
19 tial and economic infrastructure destroyed by war.

20 “(d) POLICY.—It is the sense of Congress that the
21 United States should, where appropriate, support the es-
22 tablishment of neutral, multinational peacekeeping forces
23 to implement peace agreements reached between belliger-
24 ents in the countries of the South Caucasus and Central
25 Asia.

1 **“SEC. 499A. ECONOMIC ASSISTANCE.**

2 “(a) PURPOSE OF ASSISTANCE.—The purpose of as-
3 sistance under this section is to foster economic growth
4 and development, including the conditions necessary for
5 regional economic cooperation, among the countries of the
6 South Caucasus and Central Asia.

7 “(b) AUTHORIZATION FOR ASSISTANCE.—To carry
8 out the purpose of subsection (a), the President is author-
9 ized to provide assistance for the countries of the South
10 Caucasus and Central Asia to support the activities de-
11 scribed in subsection (c).

12 “(c) ACTIVITIES SUPPORTED.—In addition to the ac-
13 tivities described in section 498, activities supported by
14 assistance under subsection (b) should support the devel-
15 opment of the structures and means necessary for the
16 growth of private sector economies based upon market
17 principles.

18 “(d) POLICY.—It is the sense of Congress that the
19 United States should—

20 “(1) assist the countries of the South Caucasus
21 and Central Asia to develop policies, laws, and regu-
22 lations that would facilitate the ability of those coun-
23 tries to develop free market economies and to join
24 the World Trade Organization to enjoy all the bene-
25 fits of membership; and

1 “(2) consider the establishment of zero-to-zero
2 tariffs between the United States and the countries
3 of the South Caucasus and Central Asia.

4 **“SEC. 499B. DEVELOPMENT OF INFRASTRUCTURE.**

5 “(a) PURPOSE OF PROGRAMS.—The purposes of pro-
6 grams under this section include—

7 “(1) to develop the physical infrastructure nec-
8 essary for regional cooperation among the countries
9 of the South Caucasus and Central Asia; and

10 “(2) to encourage closer economic relations and
11 to facilitate the removal of impediments to cross-bor-
12 der commerce among those countries and the United
13 States and other developed nations.

14 “(b) AUTHORIZATION FOR PROGRAMS.—To carry out
15 the purposes of subsection (a), the following types of pro-
16 grams for the countries of the South Caucasus and Cen-
17 tral Asia may be used to support the activities described
18 in subsection (c):

19 “(1) Activities by the Export-Import Bank to
20 complete the review process for eligibility for financ-
21 ing under the Export-Import Bank Act of 1945.

22 “(2) The provision of insurance, reinsurance, fi-
23 nancing, or other assistance by the Overseas Private
24 Investment Corporation.

1 “(3) Assistance under section 661 of this Act
2 (relating to the Trade and Development Agency).

3 “(c) ACTIVITIES SUPPORTED.—Activities that may
4 be supported by programs under subsection (b) include
5 promoting actively the participation of United States com-
6 panies and investors in the planning, financing, and con-
7 struction of infrastructure for communications, transpor-
8 tation, including air transportation, and energy and trade,
9 including highways, railroads, port facilities, shipping,
10 banking, insurance, telecommunications networks, and gas
11 and oil pipelines.

12 “(d) POLICY.—It is the sense of Congress that the
13 United States representatives at the International Bank
14 for Reconstruction and Development, the International Fi-
15 nance Corporation, and the European Bank for Recon-
16 struction and Development should encourage lending to
17 the countries of the South Caucasus and Central Asia to
18 assist the development of the physical infrastructure nec-
19 essary for regional economic cooperation.

20 **“SEC. 499C. BORDER CONTROL ASSISTANCE.**

21 “(a) PURPOSE OF ASSISTANCE.—The purpose of as-
22 sistance under this section includes the assistance of the
23 countries of the South Caucasus and Central Asia to se-
24 cure their borders and implement effective controls nec-
25 essary to prevent the trafficking of illegal narcotics and

1 the proliferation of technology and materials related to
2 weapons of mass destruction (as defined in section
3 2332a(c)(2) of title 18, United States Code), and to con-
4 tain and inhibit transnational organized criminal activi-
5 ties.

6 “(b) AUTHORIZATION FOR ASSISTANCE.—To carry
7 out the purpose of subsection (a), the President is author-
8 ized to provide assistance to the countries of the South
9 Caucasus and Central Asia to support the activities de-
10 scribed in subsection (c).

11 “(c) ACTIVITIES SUPPORTED.—Activities that may
12 be supported by assistance under subsection (b) include
13 assisting those countries of the South Caucasus and Cen-
14 tral Asia in developing capabilities to maintain national
15 border guards, coast guard, and customs controls.

16 “(d) POLICY.—It is the sense of Congress that the
17 United States should encourage and assist the develop-
18 ment of regional military cooperation among the countries
19 of the South Caucasus and Central Asia through pro-
20 grams such as the Central Asian Battalion and the Part-
21 nership for Peace of the North Atlantic Treaty Organiza-
22 tion.

1 **“SEC. 499D. STRENGTHENING DEMOCRACY, TOLERANCE,**
2 **AND THE DEVELOPMENT OF CIVIL SOCIETY.**

3 “(a) PURPOSE OF ASSISTANCE.—The purpose of as-
4 sistance under this section is to promote institutions of
5 democratic government and to create the conditions for
6 the growth of pluralistic societies, including religious toler-
7 ance and respect for internationally recognized human
8 rights.

9 “(b) AUTHORIZATION FOR ASSISTANCE.—To carry
10 out the purpose of subsection (a), the President is author-
11 ized to provide the following types of assistance to the
12 countries of the South Caucasus and Central Asia:

13 “(1) Assistance for democracy building, includ-
14 ing programs to strengthen parliamentary institu-
15 tions and practices.

16 “(2) Assistance for the development of non-
17 governmental organizations.

18 “(3) Assistance for development of independent
19 media.

20 “(4) Assistance for the development of the rule
21 of law, a strong independent judiciary, and trans-
22 parency in political practice and commercial trans-
23 actions.

24 “(5) International exchanges and advanced pro-
25 fessional training programs in skill areas central to
26 the development of civil society.

1 “(6) Assistance to promote increased adherence
2 to civil and political rights under section 116(e) of
3 this Act.

4 “(c) ACTIVITIES SUPPORTED.—Activities that may
5 be supported by assistance under subsection (b) include
6 activities that are designed to advance progress toward the
7 development of democracy.

8 “(d) POLICY.—It is the sense of Congress that the
9 Voice of America and RFE/RL, Incorporated, should
10 maintain high quality broadcasting for the maximum du-
11 ration possible in the native languages of the countries of
12 the South Caucasus and Central Asia.

13 **“SEC. 499E. INELIGIBILITY FOR ASSISTANCE.**

14 “(a) IN GENERAL.—Except as provided in subsection
15 (b), assistance may not be provided under this chapter for
16 the government of a country of the South Caucasus or
17 Central Asia if the President determines and certifies to
18 the appropriate congressional committees that the govern-
19 ment of such country—

20 “(1) is engaged in a consistent pattern of gross
21 violations of internationally recognized human
22 rights;

23 “(2) has, on or after the date of enactment of
24 this chapter, knowingly transferred to another
25 country—

1 “(A) missiles or missile technology incon-
2 sistent with the guidelines and parameters of
3 the Missile Technology Control Regime (as de-
4 fined in section 11B(c) of the Export Adminis-
5 tration Act of 1979 (50 U.S.C. App. 2410b(c));
6 or

7 “(B) any material, equipment, or tech-
8 nology that would contribute significantly to the
9 ability of such country to manufacture any
10 weapon of mass destruction (including nuclear,
11 chemical, and biological weapons) if the Presi-
12 dent determines that the material, equipment,
13 or technology was to be used by such country
14 in the manufacture of such weapons;

15 “(3) has repeatedly provided support for acts of
16 international terrorism; or

17 “(4) is prohibited from receiving such assist-
18 ance by chapter 10 of the Arms Export Control Act
19 or section 306(a)(1) and 307 of the Chemical and
20 Biological Weapons Control and Warfare Elim-
21 nation Act of 1991 (22 U.S.C. 5604(a)(1), 5605).

22 “(b) EXCEPTIONS TO INELIGIBILITY.—

23 “(1) EXCEPTIONS.—Assistance prohibited by
24 subsection (a) or any similar provision of law, other
25 than assistance prohibited by the provisions referred

1 to in paragraphs (2) and (4) of subsection (a), may
2 be furnished under any of the following cir-
3 cumstances:

4 “(A) The President determines that fur-
5 nishing such assistance is important to the na-
6 tional interest of the United States.

7 “(B) The President determines that fur-
8 nishing such assistance will foster respect for
9 internationally recognized human rights and the
10 rule of law or the development of institutions of
11 democratic governance.

12 “(C) The assistance is furnished for the al-
13 leviation of suffering resulting from a natural
14 or man-made disaster.

15 “(D) The assistance is provided under the
16 secondary school exchange program adminis-
17 tered by the United States Information Agency.

18 “(2) REPORT TO CONGRESS.—The President
19 shall immediately report to Congress any determina-
20 tion under paragraph (1) (A) or (B) or any decision
21 to provide assistance under paragraph (1)(C).

22 **“SEC. 499F. ADMINISTRATIVE AUTHORITIES.**

23 “(a) ASSISTANCE THROUGH GOVERNMENTS AND
24 NONGOVERNMENTAL ORGANIZATIONS.—Assistance under

1 this chapter may be provided to governments or through
 2 nongovernmental organizations.

3 “(b) USE OF ECONOMIC SUPPORT FUNDS.—Except
 4 as otherwise provided, any funds that have been allocated
 5 under chapter 4 of part II for assistance for the inde-
 6 pendent states of the former Soviet Union may be used
 7 in accordance with the provisions of this chapter.

8 “(c) TERMS AND CONDITIONS.—Assistance under
 9 this chapter shall be provided on such terms and condi-
 10 tions as the President may determine.

11 “(d) AVAILABLE AUTHORITIES.—The authority in
 12 this chapter to provide assistance for the countries of the
 13 South Caucasus and Central Asia is in addition to the au-
 14 thority to provide such assistance under the FREEDOM
 15 Support Act (22 U.S.C. 5801 et seq.) or any other Act,
 16 and the authorities applicable to the provision of assist-
 17 ance under chapter 11 may be used to provide assistance
 18 under this chapter.

19 **“SEC. 499G. DEFINITIONS.**

20 “In this chapter:

21 “(1) APPROPRIATE CONGRESSIONAL COMMIT-
 22 TEES.—The term ‘appropriate congressional com-
 23 mittees’ means the Committee on Foreign Relations
 24 of the Senate and the Committee on International
 25 Relations of the House of Representatives.

1 “(2) COUNTRIES OF THE SOUTH CAUCASUS
2 AND CENTRAL ASIA.—The term ‘countries of the
3 South Caucasus and Central Asia’ means Armenia,
4 Azerbaijan, Georgia, Kazakstan, Kyrgyzstan,
5 Tajikistan, Turkmenistan, and Uzbekistan.”.

6 **SEC. 6. ANNUAL REPORT.**

7 Section 104 of the FREEDOM Support Act (22
8 U.S.C. 5814) is amended—

9 (1) by striking “and” at the end of paragraph
10 (3);

11 (2) by striking the period at the end of para-
12 graph (4) and inserting “; and”; and

13 (3) by adding the following new paragraph:

14 “(5) with respect to the countries of the South
15 Caucasus and Central Asia—

16 “(A) identifying the progress of United
17 States foreign policy to accomplish the policy
18 identified in section 3 of the Silk Road Strategy
19 Act of 1999;

20 “(B) evaluating the degree to which the as-
21 sistance authorized by chapter 12 of part I of
22 the Foreign Assistance Act of 1961 has been
23 able to accomplish the purposes identified in
24 those sections; and

1 “(C) recommending any additional initia-
 2 tives that should be undertaken by the United
 3 States to implement the policy and purposes
 4 contained in the Silk Road Strategy Act of
 5 1999.”.

6 **SEC. 7. CONFORMING AMENDMENTS.**

7 Section 102(a) of the FREEDOM Support Act (Pub-
 8 lic Law 102–511) is amended in paragraphs (2) and (4)
 9 by striking each place it appears “this Act)” and inserting
 10 “this Act and the Silk Road Strategy Act of 1999)”.

11 **SEC. 8. DEFINITIONS.**

12 In this Act:

13 (1) APPROPRIATE CONGRESSIONAL COMMIT-
 14 TEES.—The term “appropriate congressional com-
 15 mittees” means the Committee on Foreign Relations
 16 of the Senate and the Committee on International
 17 Relations of the House of Representatives.

18 (2) COUNTRIES OF THE SOUTH CAUCASUS AND
 19 CENTRAL ASIA.—The term “countries of the South
 20 Caucasus and Central Asia” means Armenia, Azer-
 21 baijan, Georgia, Kazakstan, Kyrgyzstan, Tajikistan,
 22 Turkmenistan, and Uzbekistan.

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